

2023

SUSTAINABILITY REPORT



Letter to Stakeholders

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LETTER TO STAKEHOLDER

We are proud to share a major milestone for **Tierre Group**: our first **Sustainability Report**.

This document marks an **important moment** of transparency and collaboration, allowing us to share the results we have achieved and our future commitments aimed at enhancing the sustainability of our company.

For us, sustainability is much more than a **strategic asset**; it is a fundamental ethical principle that comprehensively and **concretely** drives every action we take to create **value and growth for our company, our stakeholders, and our future**.





This commitment is rooted in the core values that guide us daily, reflecting a **philosophy** founded on **transparency, dedication, and all-round well-being**.

These principles inspire our **people-centric** approach empowering us to meet challenges with **dynamism, flexibility, and innovation**. We firmly believe that the only way to build a truly sustainable and shared future is by **integrating technological and business advancements** with strong social and environmental responsibility.

With this vision in mind, **Tierre Group** has embarked on a **journey of transformation**, actively working to improve our business practices with a consistent **focus on environmental, social, and economic dimensions**.

We have implemented **innovative solutions** to **reduce** our **environmental impact**, optimized our use of **energy resources**, and adopted responsible **waste management** practices. In addition, we have enhanced – and will continue to strengthen – our energy efficiency by installing a **photovoltaic system** that will cover over 50% of our energy needs, with completion targeted by 2024.

These initiatives align with the **materiality analysis** we conducted this year, which helped us to identify and prioritize the most significant impacts for both our company and our stakeholders. This analysis will guide our strategy as we work toward the United Nations Sustainable Development Goals, particularly those related **to health and well-being**, gender equality, decent work, industrial innovation, and reduced inequalities.

We see our journey toward an ecological and social transition as a moral obligation to the planet and future generations. This transformation requires profound change, impacting even the most established business models.

We will face this change with courage, determination, and commitment at every level. We would like to personally express our **heartfelt** thanks to everyone who supports us on this journey and to all those who work tirelessly every day to make **Tierre Group** a leading company. Your support and dedication are vital to our success and to achieving the **ambitious goals** we have set.

Together, **we look to the future with confidence**, ready to transform challenges into opportunities. United in a shared vision, we can be **pioneers** of a **more sustainable** future for all.

With gratitude,

Marco Regis

Chairman of the Board and CEO

Laura Regis

CEO

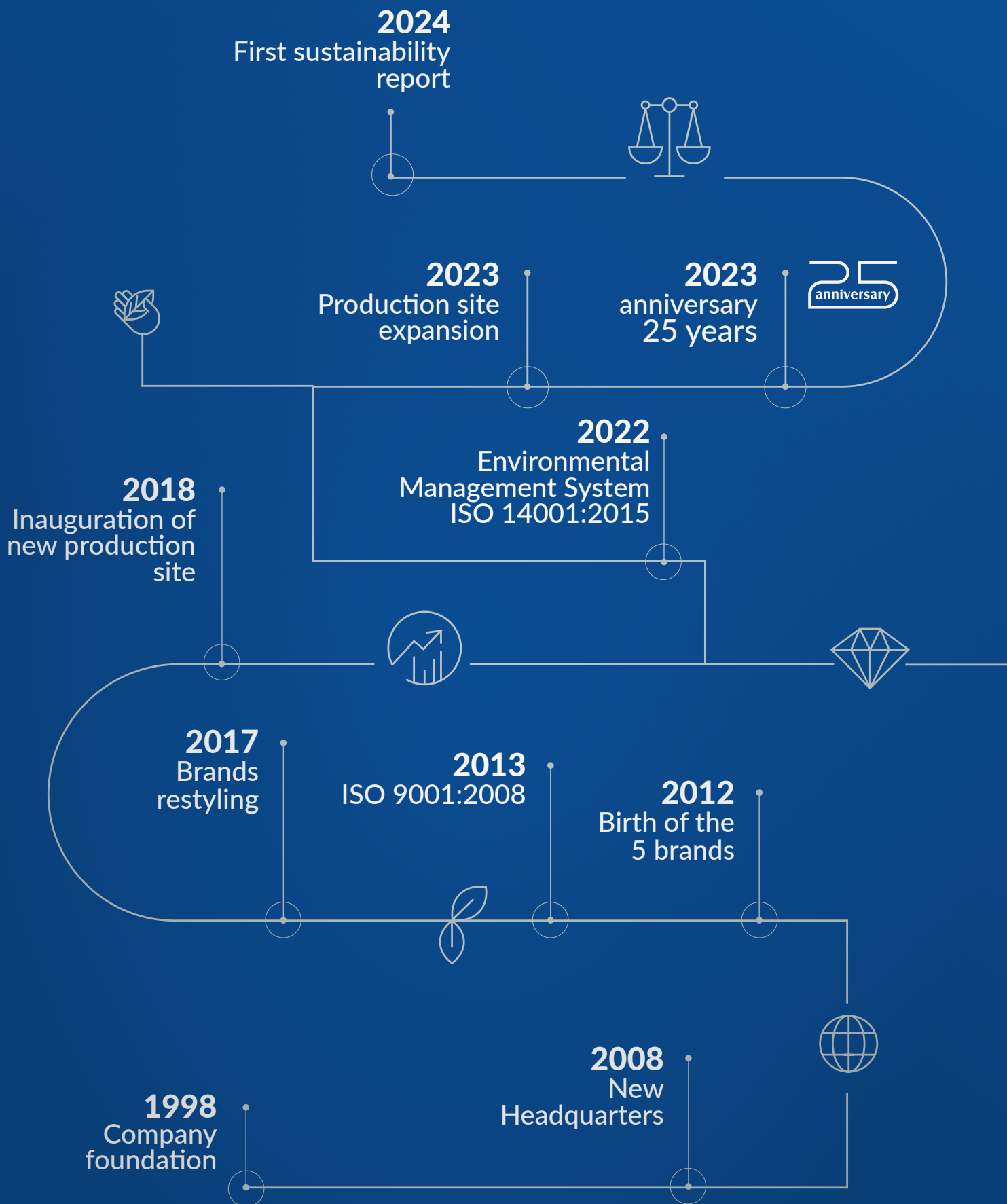


ABOUT US

The story of Terre is one of **union, uniting passions, people, and ideas**. A dynamic story but one with clear goals. Italian at heart, but with an **international vision**. These qualities have allowed Terre Group to adapt to market changes, responding to each demand with **credibility and precision**.

The core values of **honesty, respect, and integrity** make Terre Group a close-knit family, further strengthened by more 'business-like' attributes such as **reliability, punctuality, and the expertise** of a young and capable management team. These strengths have enabled the company to quickly made a name for itself through its comprehensive **product range, fast delivery, and reliable customer service**.





GROWING THROUGH VALUES

Since its founding, **Tierre Group** has never stopped growing, driven by a **dedicated team** united by an **enduring passion** for their work.

Through their **vision, knowledge**, and **collaboration**, **new ideas** and **pathways** are created each day, breaking pre-established boundaries to achieve increasingly **ambitious goals**.

In this spirit, **Tierre Group** develops **projects** and **programs** focused on enriching and **empowering its people**, offering **healthy, productive workspaces**, **professional and motivational training**, and partnerships with prestigious institutions like **SDA Bocconi** in Milan.

This is why every **team member** took part in a year-long initiative to **define shared goals** and values that **enable sustainable growth**.

The **Value Map** was conceived as a cross-section of a tree trunk, with each ring marking the company's history and representing its evolution.

The Values are embedded in each layer, serving as the **lifeblood** of Tierre Group – essential elements that enable the company to flourish along a clearly **defined path**.





INVESTING IN THE PRESENT TO SHAPE THE FUTURE

This idea defines Tierre Group's **vision and credibility**. With this belief, the company has **expanded beyond** its original role as a distributor and supplier of **high-quality products** to establish itself as a **benchmark in production**. By designing and developing high-performance, innovative solutions across a range of industries, **Tierre Group** meets **specific and complex customer needs** every day.

Designing and manufacturing the core **components** of its flagship product lines has become a **cornerstone of Tierre Group's success**. This success is further powered by a technological foundation, with the company consistently investing in innovation – from its current facilities and advanced internal management systems, to **automated vertical warehouses** and the new **production center in Brescia, the core of Tierre Group's transformation**.

The ability to deliver **customized solutions** for **unique requirements**, paired with ongoing **technical research** into **materials**, enables Tierre Group to achieve **production efficiency** and top-tier **performance** across all products. Every operation is built on the **highest Italian and European standards**, which are **internationally regulated and certified**.



CERTIFICATIONS

SYSTEM CERTIFICATIONS



ISO 9001:2015 - Quality Management System

In 2015, the Company obtained ISO 9001:2015 certification, which attests compliance with Quality Management System requirements. This certification requires the company to maintain a management system that ensures the consistent quality of its products and services. ISO 9001 certification applies to all Tierre Group's operational sectors, guaranteeing excellence in the design, production, and distribution of fittings, components, and solutions for industrial automation.



ISO 14001:2015 - Environmental Management System

In 2022, Tierre Group obtained ISO 14001:2015 certification, attesting that the company has implemented an Environmental Management System aimed at minimizing the environmental impact of its operations. This certification applies to environmental management across all business processes, demonstrating the Company's commitment to continuously monitoring and improving its environmental performance. The goal is to provide tools to identify and manage environmental impacts, promoting sustainable practices and the prevention of environmental risks.



CRIBIS | Prime Company

Tierre Group has been recognized as a "Prime Company" by CRIBIS, a certification of the highest commercial reliability. This acknowledgment confirms that the company maintains high financial and management reliability standards, a crucial factor in building trust with business partners and customers. Commercial reliability is essential for ensuring stability and confidence in business relationships.



Champion of Growth 2024

The German ITQF Institute and La Repubblica A&F have recognized Tierre Group as one of the 800 "Champions of Growth 2024". This recognition further testifies to the company's ability to grow sustainably and innovate continuously while maintaining high standards of quality and reliability. This ranking, which considers the economic growth achieved, confirms the soundness of the strategies undertaken to retain market positions and expand into new operational areas.



Champions 2023 and 2024

Corriere della Sera, along with Italy Post, has recognized Tierre Group among the 1000 "best Italian SMEs" with revenues between 20 and 500 million Euros, selected for high-performance levels in growth rate, profitability, financial solidity, financial capacity, and creditworthiness.

PRODUCT CERTIFICATIONS



FCM | Food Contact Materials

Tierre Group has obtained FCM certification, which confirms that its products comply with European regulations on materials and articles intended to be in contact with food. FCM certification ensures that the company's products meet food safety standards, guaranteeing that no contamination occurs during use.



National Sanitation Foundation

The NSF certification is a certification that verifies the compliance of a product, process, or system with specific quality and safety standards developed by NSF International, an independent, non-profit organization. NSF specializes in testing, inspections, and certifications primarily related to food safety, the environment, public health, and sustainability.



REACH | Registration, Evaluation, Authorization and Restriction of Chemicals

Tierre Group complies with the requirements of the EU's REACH regulation, aimed at improving the protection of human health and the environment from the risks posed by chemical substances. This certification demonstrates that the substances used in production processes are safe and managed according to current regulations.



Restriction of Hazardous Substances

The RoHS certification confirms that Tierre Group adheres to the European directive limiting the use of certain hazardous substances in electrical and electronic devices. This certification ensures that the components produced by the company meet strict environmental standards.



Conflict Minerals Disclosure

The company has obtained the "Conflict Minerals" Disclosure in compliance with Section 1502 of the Dodd-Frank Act. This declaration represents a significant commitment to social responsibility and transparency within its supply chain. Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act requires companies to disclose their use of minerals sourced from conflict areas, particularly the Democratic Republic of Congo and neighboring countries. These minerals include tin, tantalum, tungsten, and gold, collectively known as "conflict minerals". Tierre Group's declaration ensures that the materials used in its products do not contribute to the financing of armed conflicts in these regions.

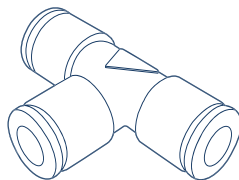
OUR WORLD. INVESTING AND COMPETING.



TIERRE GROUP IS A LEADING ITALIAN COMPANY IN THE FIELD OF FITTINGS FOR THE PNEUMATIC AUTOMATION, FOOD & BEVERAGE, AND TELECOMMUNICATION SECTORS.

With highly qualified **technical expertise**, it can offer special products, **designed** and manufactured to the **customer's exact specifications**. The company can now **design, develop, and market innovative, high-performance solutions** across various fitting sectors. The main services offered by Tierre Group are organized into **distinct business lines**, each **unique and specific** to the sector in which it is employed.

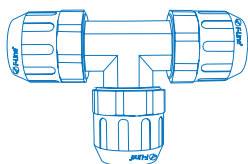




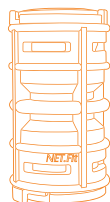
INDUSTRIAL AUTOMATION Fittings, pipes, and accessories specifically designed and manufactured for pneumatic applications in industries such as packaging, automotive, robotics, and assembly.

HYGIENIC & FOOD AISI 316 stainless steel fittings designed for handling fluids in low-pressure applications across sectors such as pharmaceuticals, chemicals, medical, food, and process industries.

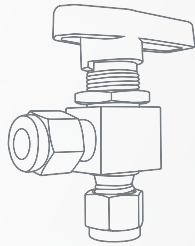
FOOD & BEVERAGES Fittings and accessories designed for contact with food-grade fluids, such as drinking water, soft drinks, beer, and coffee, particularly in the manufacture of water dispensers, vending machines, reverse osmosis systems, desalination units, and professional and home coffee machines, as well as for applications in appliances, RVs, and small boats. domestiche oltre che nell'industria del bianco, camper e piccole imbarcazioni.



Developed for building compressed air, vacuum, and inert gas (argon and nitrogen) distribution networks, F-Line.PRO is a fast-assembly system offering perfect pneumatic sealing and excellent mechanical strength. Its specialized aluminum alloy pipes, coated with heat-cured electrostatic paint and combined with high-performance reinforced polymer fittings, deliver the ideal solution for compressed air networks, minimizing the risk of corrosion and ensuring high air quality for long-lasting system and tool performance in standard working conditions.



Tierre Group developed the NET.Fit project to meet market demands for buried fiber optic cable installations using the "blown fibers" method for FTTx (Fiber to the x) networks, which reduces and optimizes installation times and ensures maximum reliability and long-term durability. With a broad selection of sizes from 3mm to 25mm in diameter for microconducts and excellent mechanical strength and durability, the NET.Fit range provides FTTx network installers with versatile solutions for diverse requirements.



HIGH PRESSURE SOLUTIONS

INOX.Fit offers ideal solutions for high-pressure applications, featuring a comprehensive range of single or twin ferrule fittings that are fully compatible and interchangeable. Primary application areas for INOX.Fit fittings and accessories include the chemical and petrochemical, inshore and offshore, industrial and naval sectors, semiconductor manufacturing, power generation, and iron and steel production.

Fluidfit



The Fluid-fit product range is designed for water, food and air applications, but can also be used with select gases, vacuums, and other liquids. Simple mechanisms allow for quick pipe insertion and release, thus saving time and costs.

With its **extensive range of products and solutions**, **Tierre Group** not only **fulfills customer needs**, but continues to **innovate and enhance product quality**.

The company is **dedicated to providing ongoing technical support and assistance**, ensuring **high-quality, customized solutions** tailored to the unique requirements of each sector. Its **mission is to continue to be a reliable, expert partner**, guiding customers to success with **cutting-edge products and services**.

STAKEHOLDER

Tierre Group places strong emphasis on **engaging its stakeholders**, those who **influence** or are influenced by the Company's activities, as bearers of interests and expectations concerning **economic, social, and environmental impacts**.

Among the many parties impacted by the company's operations, certain **stakeholders** hold particular **importance**.

In 2023, Tierre Group **identified the stakeholders** to whom it pays special attention.

Employees are the driving force behind all activities, and the company is committed to ensuring their safety and well-being in the workplace.

On the market side, close **collaboration with customers** and **suppliers** promotes **continuous improvement** across all operational areas, including the topics covered in this **sustainability** report.

Additionally, **financial institutions, certification bodies, educational institutions**, and the local community are also seen as key partners.

Financial institutions play a **crucial role** in the company's **development plans**, facilitating **access to** the capital needed for **investments**.

Educational institutions, such as **schools and universities**, are vital as they cultivate and attract new talent and serve as incubators for research and development initiatives.

Finally, **the area** in which the company is deeply rooted remains a **central focus**, as evidenced by Tierre Group's initiatives **to support** and engage with the **local community**.





MATERIALITY ANALYSIS

In 2023, the company carried out its **first materiality analysis**, following **guidelines** from the **GRI Sustainability Reporting Standards**.

The analysis aims to identify the company's **environmental, social, and economic impacts**.

Those deemed **most significant** are classified as "**material impacts**" and are examined in this **Report**.

Once identified, these material impacts will serve as the foundation for **Tierre Group's sustainability strategy**. For each material topic, specific sustainability indicators will be **reported**, and actions will be designed to improve the **company's sustainability performance**. The **analysis** began by examining **industry impacts** to compile a list of potentially relevant areas for the company.

A **workshop** with **top management** followed, evaluating the **significance of each impact** based on its severity and likelihood.

For this initial year, there was no **direct engagement** with **stakeholders**.

Topics	Impacts
 EQUAL OPPORTUNITIES	<ul style="list-style-type: none"> ◦ Employee training and development ◦ Non-compliance with laws and regulations
 BUSINESS ETHICS	<ul style="list-style-type: none"> ◦ Cases of corruption
 LOCAL COMMUNITIES	<ul style="list-style-type: none"> ◦ Support for local communities
 LOCAL AND TRACEABLE SUPPLY CHAIN	<ul style="list-style-type: none"> ◦ Supply chain traceability ◦ Support for local suppliers
 EMPLOYEE WELL-BEING	<ul style="list-style-type: none"> ◦ Benefits for employees ◦ Sustainable working hours ◦ Attracting new talent
 MATERIALS	<ul style="list-style-type: none"> ◦ Use of virgin raw materials ◦ Byproduct reuse ◦ Product recyclability
 WASTE AND SCRAP	<ul style="list-style-type: none"> ◦ Generation of waste and scrap
 CLIMATE CHANGE	<ul style="list-style-type: none"> ◦ Adaptation to climate change
 WATER AND EFFLUENTS	<ul style="list-style-type: none"> ◦ Water consumption



SDG CONTRIBUTION

The **2030 Agenda for Sustainable Development** is a plan of action for people, planet and prosperity signed by the governments of the 193 UN Member States in September 2015. The agenda includes **17 Sustainable Development Goals (SDGs)**, which are further divided into **169 specific targets**.

Given Tierre Group's activities, the company **contributes to six of the sustainable development goals**, outlined below.



Goal 3: Good health and well-being aims to ensure healthy lives and promote well-being for all at all ages. This goal seeks to provide universal access to basic healthcare, improve maternal and child health, and combat infectious diseases. It also promotes mental health and access to essential medicines.



Goal 5: Gender equality promotes the equality and empowerment of women and girls. This means ending all forms of gender discrimination and violence, ensuring equal opportunities for economic and political participation. It also focuses on recognizing and valuing the roles of women in society and ensuring their access to education and healthcare services.



Goal 8: Decent work and economic growth aims to foster sustainable and inclusive economic growth, as well as decent jobs for everyone. This involves creating job opportunities, adopting employment-friendly policies, protecting workers' rights, and combating forced labor and exploitation.



Goal 9: Industry, innovation and infrastructure focuses on developing resilient, sustainable, and high-quality infrastructure, fostering innovation, and building an inclusive industry. This includes investing in research and development, encouraging technological innovation, and granting equal and sustainable access to basic services like energy and water.



Goal 10: Reduced inequalities aims to reduce inequalities within and among countries by promoting inclusion, social justice, and equal opportunities. This SDG emphasizes the need to build more equitable societies where everyone has the opportunity to participate in and benefit from sustainable development progress.



Goal 13: Climate action addresses the urgency of climate change by taking measures to combat its effects and adapt to existing impacts. This includes implementing policies to reduce greenhouse gas emissions, promoting the use of renewable energy, protecting vulnerable ecosystems, and raising awareness about climate change.

ENVIRONMENT



We are committed to promoting innovation by investing in advanced technologies and sustainable infrastructure. Our goal is to ensure **equitable access** to resources, **supporting** the industries and the communities in which we operate.

We have implemented **effective strategies** to reduce emissions, increase the use of renewable energy, and introduce practical solutions to combat climate change.

SOCIAL



We work actively to **eliminate inequalities**, **cultivating an inclusive** and equitable environment that provides **equal opportunities** for all. Through targeted initiatives, we support sustainable economic development and fight against unfair labor practices.

We promote sustainable and **inclusive economic growth** by creating job opportunities and combating forced labor and exploitation.

Our commitment extends to enhancing quality of life, ensuring universal access to essential healthcare, and promoting the overall well-being of our communities.

We strive to **support healthy lives** and foster well-being by expanding access to basic healthcare services.

GOVERNANCE



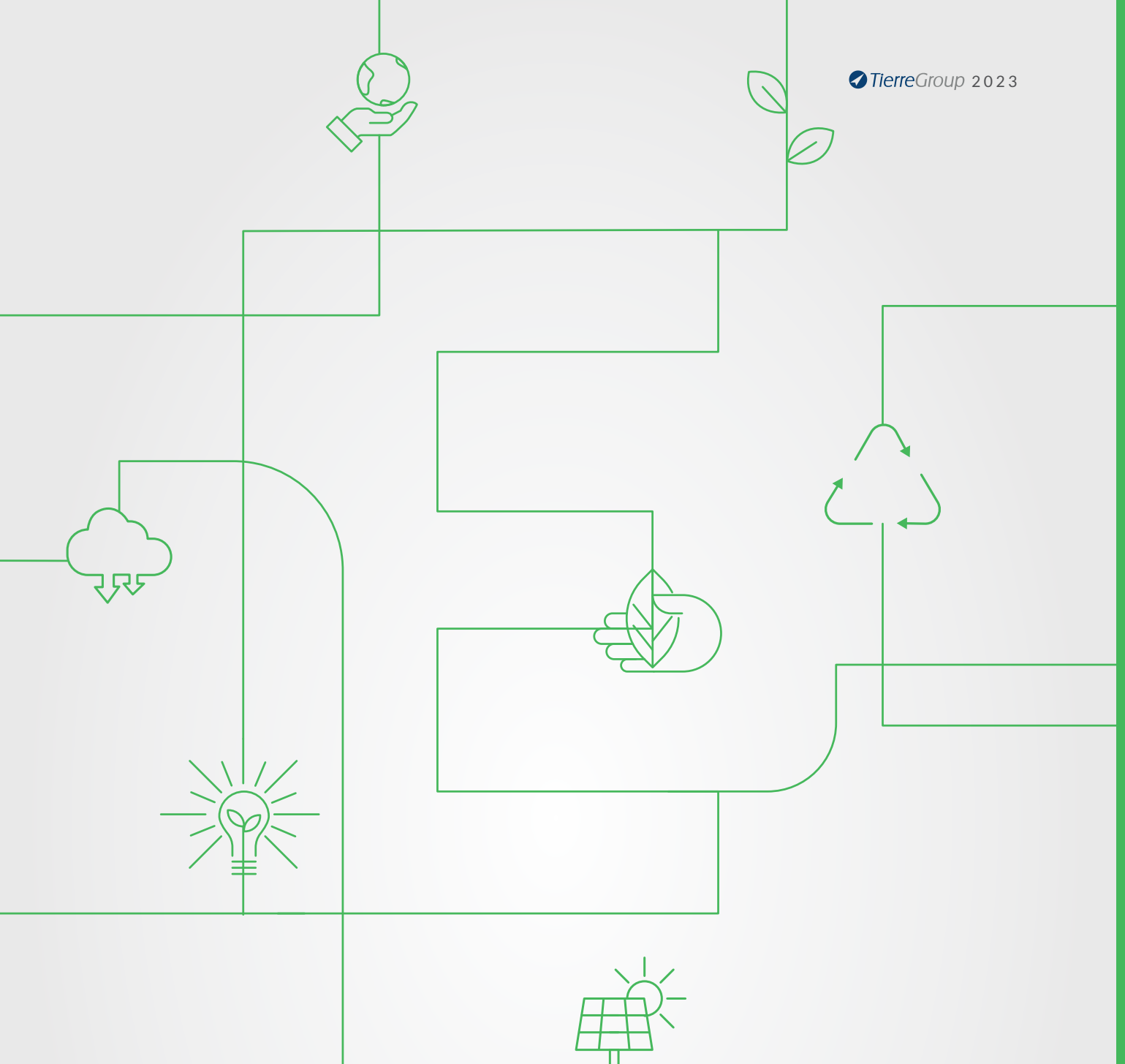
Through our governance, we aim to build **resilient and sustainable societies** that thrive on equitable and **inclusive growth**.

Our focus is on developing resilient, high-quality, and sustainable infrastructure.

We **are committed** to creating decent employment opportunities and supporting economic development grounded in the **principles of sustainability and human dignity**.







ENVIRONMENT

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USE OF ENERGY RESOURCES

As mentioned in the previous sections, Tierre Group holds **ISO 14001:2015** certification for both its **Cormano (MI)** and **Castegnato (BS)** facilities. This certification affirms the **company's commitment** to the **design, production**, and sale of fittings, pipes, and components for pneumatic automation and process fluids, through machining and **assembly in compliance** with high **environmental management standards**.

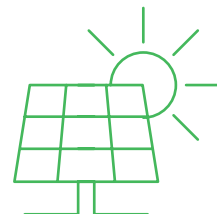
The company has also **implemented** a system of **indicators and goals** to **monitor and manage** its energy consumption and all environmental impacts systematically and consistently.

Electricity is Tierre Group's **primary energy source**, with consumption reaching 423,962 kWh in 2023 – a 15% increase over the previous year.

IN 2024 AT THE
CORMANO
HEADQUARTERS

A photovoltaic system
will be installed on the roof
to ensure the
50%
of the supply of electricity
necessary for the company

The lighting system
will be completely modified
with the introduction of
**LED
lamps**



Electricity use mainly stems from production machinery; the increase is linked to **new equipment introduced as part of the “Industry 4.0” investment project.**



Diesel is the second primary **energy source**, mainly used by **company vehicles** for **employee transportation**.

Total energy consumption for **2023** was **2,550 GJ**, marking a **3%** increase due to the expanded **company vehicle** fleet and the subsequent increase in **workforce mobility**.

The increase in transportation between sites was necessary to foster closer **integration between staff** at the **Cormano** and **Castegnato locations**. Higher **diesel consumption** also reflected the company's decision to **organize travel** to trade fairs in **Germany** by **car** rather than **air**.

The conversion to **GJ** is based on the standard parameters table published by **ISPRA**¹ (Institute for Environmental Protection and Research). However, to convert **liquid fuels** like **diesel** and **gasoline** from **liters**, conversion factors published by **DEFRA**² (Department for Environment, Food & Rural Affairs) were used.

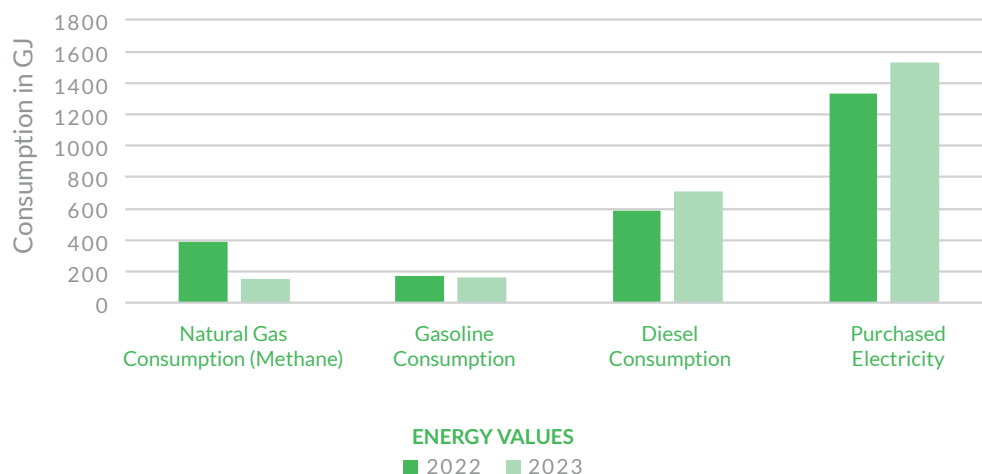
Table 4

Internal energy consumption of the organization

	Unit of measurement	Consumption		GigaJoule (GJ)	
		2022	2023	2022	2023
Total energy consumption	GJ	-	-	2.471	2.550
Electrical Energy	kWh	369.965	423.962	1.332	1.526
Natural gas	Std m ³	10.935	4.396	386	156
Diesel	Liters	16.209	19.610	584	707
Gasoline	Liters	5.271	5.039	169	161

¹www.isprambiente.gov.it/it | ²www.defra-osteoporosi.it

Energy source consumption in GJ



Several energy intensity metrics are also reported for a better comparison of energy consumption with other companies. These metrics indicate the GJ values of the energy sources used in relation to revenue and the number of units sold. Such information allows the company to evaluate its energy efficiency by highlighting the ratio between energy consumed and actual production, both in terms of economic value and production volume. This approach enables a more precise and transparent assessment of energy performance, facilitating comparison with other industry players.

Table 5
Energy intensity by
revenue and units produced

	Unit of measurement	2022	2023
Total energy consumption	GJ	2.471	2.550
Revenue	Euros	35.624.141	32.817.365
No. of units sold	No. of units sold	47.271.368	41.976.371
Energy intensity by revenue	GJ/Euro	0,00007	0,00008
Energy intensity by no. of units sold	GJ/No. of units sold	0,00005	0,00006

In 2023, Tierre Group recorded a slight increase in total energy consumption, from 2,471 GJ in 2022 to 2,550 GJ. Despite a drop in revenue, energy intensity per revenue increased, reaching 0.00008 GJ/Euro. Similarly, energy intensity per unit sold rose from 0.00005 GJ/unit to 0.00006 GJ/unit.

The increase in energy consumption can be attributed to higher production capacity and the expansion of the corporate vehicle fleet, tied to a growing workforce and the need to improve integration between different sites. Additionally, the decision to prioritize road transport for events in Germany contributed to higher diesel consumption.

Despite these factors, the company has already planned future improvements, including installing a photovoltaic system and adopting an LED lighting system to optimize energy efficiency.





ATMOSPHERIC EMISSIONS

Greenhouse gas (GHG) emissions are closely linked to the **company's energy consumption**. For this reason, **machinery powered by fossil fuels** undergoes **regular inspections** to **verify its proper functioning and emission levels**.

The **standard** for calculating **Scope 1 and Scope 2 emissions** – **direct GHG emissions** from sources owned or **controlled** by the **company** and indirect emissions from purchased energy - is the **Greenhouse Gas (GHG) Protocol**. This protocol is the most widely recognized **standard** for quantifying and managing GHG emissions internationally.

In 2023, CO₂ emissions directly produced by the company (Scope 1) totaled **73 tons of CO₂**, down **1%** from 2022 due to the **reduced use of natural gas** for heating the premises. The main emission sources are **diesel and gasoline** used by employees for transportation.

Table 6

Direct greenhouse gas (GHG) emissions (Scope 1)

	Unit of measurement	2022	2023
Emissions from non-renewable fuels	Tons CO2	77	73
Natural gas	Tons CO2	22	9
Diesel	Tons CO2	43	52
Gasoline	Tons CO2	12	12



Indirect CO₂ emissions from electricity purchased from the grid represent a significant portion of total emissions. These Scope 2 emissions are particularly high for Tierre Group following the switch from boiler heating to heat pumps at the Castegnato facility. **In addition, 16.4% of the purchased energy is sourced from renewables.**

If calculated using the **market-based method**, Scope 2 emissions rose by 14% in 2023, reaching 162 tons of CO₂.

This led Tierre Group to install a **photovoltaic system** on the **roof** of its **Cormano facility**. Specifically, there are **two main approaches** to calculating **Scope 2 emissions**:

- The “**location-based**” method, which calculates **emissions** based on the **type of energy used** and the **average emissions** in the **geographical region** where the **energy is consumed**;
- The “**market-based**” method, which considers the **emissions** associated with **energy purchased**, factoring in **renewable** or **low-carbon energy purchasing options**, and therefore assigns a **different value** based on the **type of energy** actually purchased by the company.

Emission factors published by **ISPRA** (Institute for Environmental Protection and Research) in the Standard Parameters Table were **used for calculating greenhouse gas emissions**. This **calculation method expresses emissions in tons of CO₂**, therefore **excluding emissions from other greenhouse gases**, such as **nitrous oxide** and **methane**, which have a **negligible impact** on **greenhouse gas emissions (CO₂ equivalents)** from **fossil fuels**.

For the **location-based calculation method**, the **coefficients** published by **ISPRA** were used, while the emission factors for the **market-based calculations** were **sourced from AIB**³(Association of Issuing Bodies).

Table 7
**Indirect greenhouse gas (GHG)
emissions from energy consumption
(Scope 2)**

	Unit of measurement	Location-based emissions		Market-based emissions	
		2022	2023	2022	2023
Emissions from purchased electricity	Tons CO2	114	131	142	162

By totaling direct **Scope 1** emissions and indirect **Scope 2** emissions, calculated using the **market-based** method, **Tierre Group** emitted a total of **235 tons of CO₂**. More specifically, **Scope 2 emissions** are assessed using the **market-based** approach, as these can be **reduced by the company** through **different strategies**, such as **purchasing Guarantees of Origin (GOs)** or entering into **specific agreements for renewable energy procurement**.

Total emissions **increased by 7%** compared to the **previous year**, primarily due to the rise in **diesel consumption**, as highlighted in previous sections.

³www.aib-net.org/

Table 8
Scope 1 + Scope 2
direct greenhouse gas (GHG)
emissions

	Unit of measurement	2022	2023
Total emissions (Scope 1 + Scope 2, location-based)	Tons CO2	191	204
Total emissions (Scope 1 + Scope 2, market-based)	Tons CO2	219	235

As with **energy consumption**, **emission intensity metrics** are also provided to make the total **Scope 1** and **2** emissions easier to compare with those of other companies. These metrics relate **CO₂ emission values** to **revenue** and **the number of units sold**. **Emission intensity metrics** allow for a more **accurate** and **contextualized** assessment of the company's **environmental efficiency**, describing the **emissions** generated per **unit of product** or per **euro of revenue**.

Scope 1 + Scope 2
market-based
Emissions

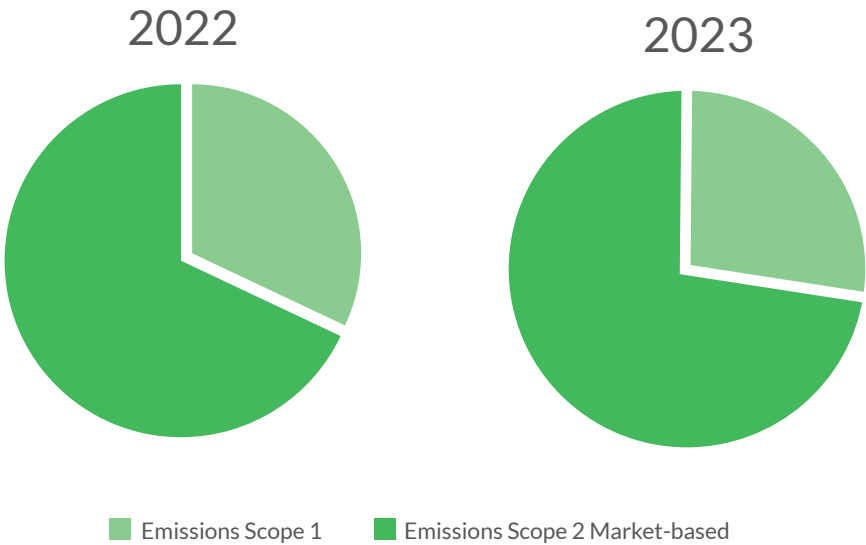


Table 9
**Intensity of greenhouse (GHG)
gas emissions**

	Unit of measurement	2022	2023
Total emissions (Scope 1 + Scope 2, marketbased)	Tons CO ₂	219	235
Revenue	Euros	35.624.141	32.817.365
Number of units sold	No. of units sold	47.271.368	41.976.371
Emission intensity per revenue	Tons CO ₂ /Euro	0,000006	0,000007
Emission intensity per number of units sold	Tons CO ₂ /No. of units sold	0,000005	0,000006

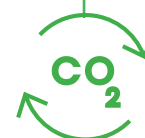


Table 9 shows that **Tierre Group** experienced an **increase in total greenhouse gas emissions** (Scope 1 + Scope 2 market-based emissions), rising from **219 tons of CO₂** in **2022** to **235 tons** in **2023**, reflecting a **7% change**. **Emission intensity per revenue** also **increased**, from **0.000006** to **0.000007 tons of CO₂ per euro**, while **emission intensity per number of units sold** remained **virtually stable**, reaching **0.000006 tons of CO₂ per unit** in **2023**.

This **rise in emissions** corresponds to the **company's increasing energy consumption** and reflects the **introduction of new machinery**, which has resulted in a **greater energy demand**. The company has, however, already **planned significant measures to improve its environmental efficiency**, such as installing a **photovoltaic system** and optimizing indoor lighting through **LED light bulbs**, which will help **reduce emissions in the coming years**.



WASTE MANAGEMENT

The **production and disposal of waste** represent a **significant environmental impact** for **Tierre Group**.

The company is **committed** to promoting **waste separation** at every stage of its operations. Additionally, it **conducts educational initiatives** to **raise awareness** among **employees** about **recycling practices** and **proper waste disposal**, encouraging them to **actively contribute** to **reducing the environmental footprint**. All waste is **either disposed** of as **urban waste** or **handed over** to **specialized waste management companies**.

The largest volume of waste generated consists of **wooden packaging**, which totaled **40 tons** in **2023**, a **decrease of 30%** compared to the **previous year**. This **wooden packaging** is generated through the **shipment of purchased materials**.

Another significant **category of waste** is **paper and cardboard packaging**, with a total of **81 tons** produced in **2023**, reflecting a decrease of **16.5%**.

The **reduction in waste** between the **two years** can be attributed to a **decline in sales volumes**; however, the **company’s focus** on effective **waste management** has also **contributed** to this **decrease**.

As shown in the **summary table** below, the **quantities of hazardous waste** generated are **minimal**, given the **nature of the company’s activities**.

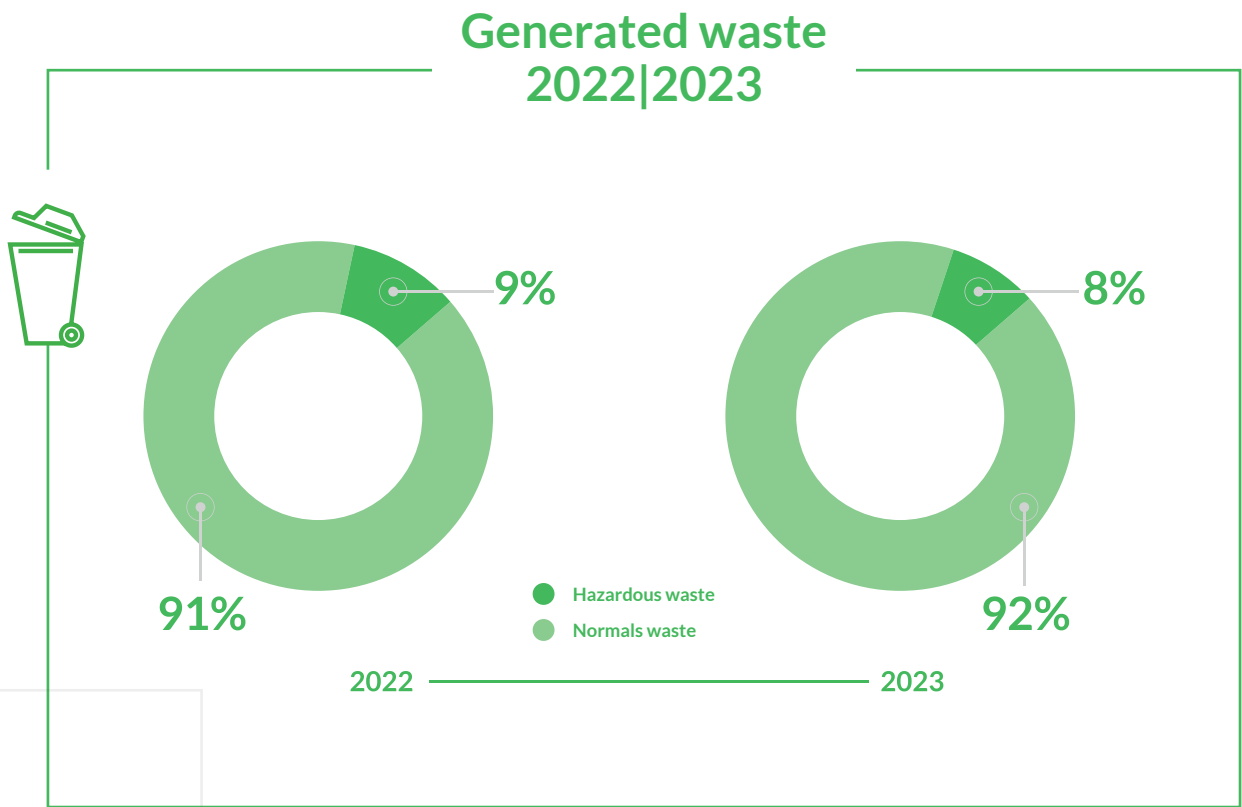
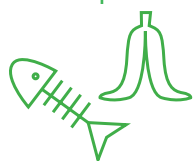


Table 10
General waste



Waste type	Unit of measurement - Tons	Non hazardous		Hazardous		Total	
		2022	2023	2022	2023	2022	2023
	Codice CER						
Plastic waste	070213	1	0,2	-	-	1	0,2
Waste printing toner	080318	0,1	0,03	-	-	0,1	0,03
Paper and cardboard packaging	150101	12	13	-	-	12	13
Plastic packaging	150102	5	5	-	-	5	5
Wooden packaging	150103	57	40	-	-	57	40
Discarded equipment	160213*	-	-	0,3	0	0,3	0
Discarded equipment	160214	0,5	1	-	-	0,5	1
Components removed from discarded equipment	160216	0,1	0	-	-	0,1	0
Lead acid batteries	160601*	-	-	0,1	0	0,1	0
Iron and steel	170405	3	3	-	-	3	3
Paper and cardboard	200101	8	0	-	-	8	0
Bulky waste	200307	2	4	-	-	2	4
Aqueous waste solutions containing dangerous substances	161001*	-	-	7	4	7	4
Mineral machine oils, halogen free	120107*	-	-	1	3	1	3
Packaging containing residues of hazardous substances or contaminated by such substances	150110*	-	-	0,1	0	0,1	0
Fluorescent tubes and other mercury-containing waste	200121*	-	-	0	0,01	0	0,01
Mixed construction and demolition wastes	170904	0	5	-	-	0	5
Copper, bronze, brass	170401	0	2	-	-	0	2
Absorbents, filter materials, rags and protective clothing, contaminated with dangerous substances	150202*	-	-	0	0,01	0	0,01
Filings and shavings of ferrous materials	120101	1	2	-	-	1	2
Total - tons						97	81

WATER RESOURCES

Water is an **essential resource** for **Tierre Group**.

Water withdrawals occur in an area considered to have **medium-low water stress** for the **Cormano facility**, while the **production site in Brescia** is located in an area considered to have **medium-high water stress**.

Water stress was assessed using the **online Aqueduct tool** developed by the **World Resources Institute (WRI)**.

The **water withdrawn** is **potable** and sourced from the **aqueduct**; it is used for **restrooms** in **both facilities** and for **irrigating the garden** at the **Cormano site**.

In **2023**, **water withdrawal** totaled **0.98 million liters (ML)**, reflecting a **9% decrease** from the **previous year**. It is important to note that the **increased consumption** recorded in **2022** was due to **extraordinary circumstances**.

Water discharges are **not monitored** with **specific meters**; however, since the water is not used in **production processes** and is **drawn** from the **municipal supply** for **restrooms** and **garden irrigation**, it is estimated that **100%** of the **water withdrawn** is subsequently **returned to nature**.

Table 11

Water withdrawal



	Unit of measurement	Total		Of which at water stress	
		2022	2023	2022	2023
Water withdrawal from groundwater	ML	0	0	0	0
Water withdrawal from aqueduct	ML	1,07	0,98	1,07	0,98
Total water withdrawal	ML	1,07	0,98	1,07	0,98

Table 12
Water discharge

	Unit of measurement	Totale		Of which at water stress	
		2022	2023	2022	2023
Third-party water discharge - potable water	ML	1,07	0,98	1,07	0,98
Total water discharge	ML	1,07	0,98	1,07	0,98







SOCIAL

Supply chain	40
Human resource management	42
Employee training and development	51
Health and safety	54
Community projects	56



SUPPLY CHAIN

To **improve** its impact on **environmental** and **social sustainability**, it is **essential** to **understand** the entire **product life cycle**, starting from the **raw materials**. Therefore, consciously selecting **suppliers** of **goods** and **services** is **crucial** to **ensure respect** for the **environment** and **human rights** throughout the **supply chain**.

Tierre Group believes in **creating a sustainable supply chain** by prioritizing **local suppliers** and selecting them based on **environmental** and **social criteria**, **taking into account market dynamics** and **business needs**.

Whenever possible, **local suppliers** are **avored** both to **bring wealth** to the **area** and to **minimize** the **environmental impact** caused by the **transportation** of **goods**. In **2023**, **50%** of **expenditure** involved **local suppliers** of **goods** and **services**, where “**local**” refers to all **suppliers based in Italy**.

Table 13

Proportion of expenditure towards local suppliers

	2022	2023
Proportion of expenditure towards local suppliers	42%	50%

The main category of **raw materials** purchased for **production process** is **brass**. The **second most significant category** is **plastic**, which is used for **manufacturing fittings** and, in the form of **bags** and **stretch film**, for **packaging products**.

Other materials purchased in **substantial quantities** include **AISI steel**, specifically used for the **fittings** in the **Hygienic & Food range**, as well as **wood** and **cardboard** for **shipping products**.

Among the materials with the **highest recycled percentages** are **brass**, used in large quantities (129 tons in 2023) with **96% recycled**, and **steel**, with **90% recycled** in 2023. **Cardboard** also has a **high percentage of recycled content**, estimated at **69%**.

These **high percentages** of **recycled materials** highlight the **company’s commitment** to **environmental sustainability practices**, **reducing its ecological impact** and promoting the **efficient use of resources** through **material recycling**.

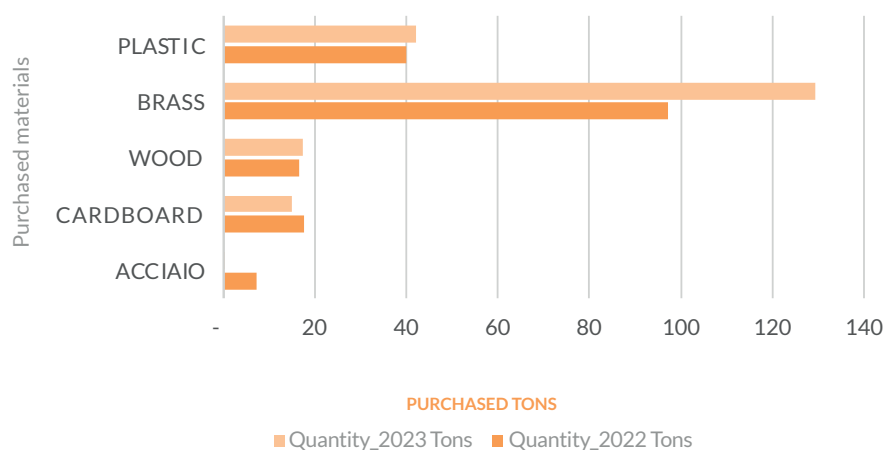
Table 14
**Recycled input
materials used**

	Unit of measurement	2022	2023	% of recycled material
AISI steel	Tons	7	0,4	90 %
Cardboard	Tons	18	15	69 %
Wood	Tons	17	17	24 %
Brass	Tons	97	129	96 %
Plastic	Tons	40	42	1,5 %

Table 14 shows the **N** by Tierre Group, expressed in tons, along with the percentage of **recycled material** included in each category of purchased materials. This percentage, referred to as “% of recycled material”, indicates the proportion of recycled content within the total purchases for each category.

A weighted average method was used to calculate these percentages. The recycling percentages for materials in the same category are weighted based on the quantities purchased for each material, yielding the overall percentage of recycled product in each material purchased.

**Materials purchased
2022-2023**





HUMAN RESOURCE MANAGEMENT

Employees are a **fundamental part** of **Tierre Group's company ecosystem**.

The company recognizes the **irreplaceable role** that **its collaborators play** in driving long-term success and sustainability. Employees are the **main strategic asset**, as each individual significantly contributes to **value creation** and **business innovation**.

Tierre Group places the utmost importance on fostering a **healthy** and **positive work environment**, where even the smallest details are valued. To this end, management has invested in the **aesthetics** of the **workplace**, creating an attractive, well-maintained, bright, and visually appealing setting for employees.

The company is committed to **treating** its employees **fairly** and **respectfully**, promoting an organizational culture that centers on the individual while upholding **principles of equality** and **diversity**. Respect for human rights and labor regulations is a priority, and company practices are geared towards creating a **safe, inclusive, and collaborative work environment**.

Significant emphasis is placed on employee well-being, with a range of **initiatives** and **benefits** designed to enhance quality of life in both professional and personal spheres. In 2023, a **corporate welfare plan** was introduced to provide **economic support** to **employees** and to enhance their personal and professional well-being. This was achieved through a package of goods and services up to a predefined economic value. Additionally, each year, the company shares its performance results with all employees through **performance-based bonuses**. In conjunction with the Christmas holidays, all employees were offered a **gift card** for purchasing goods and/or services as a further expression of appreciation and support, recognizing the challenges associated with this period.



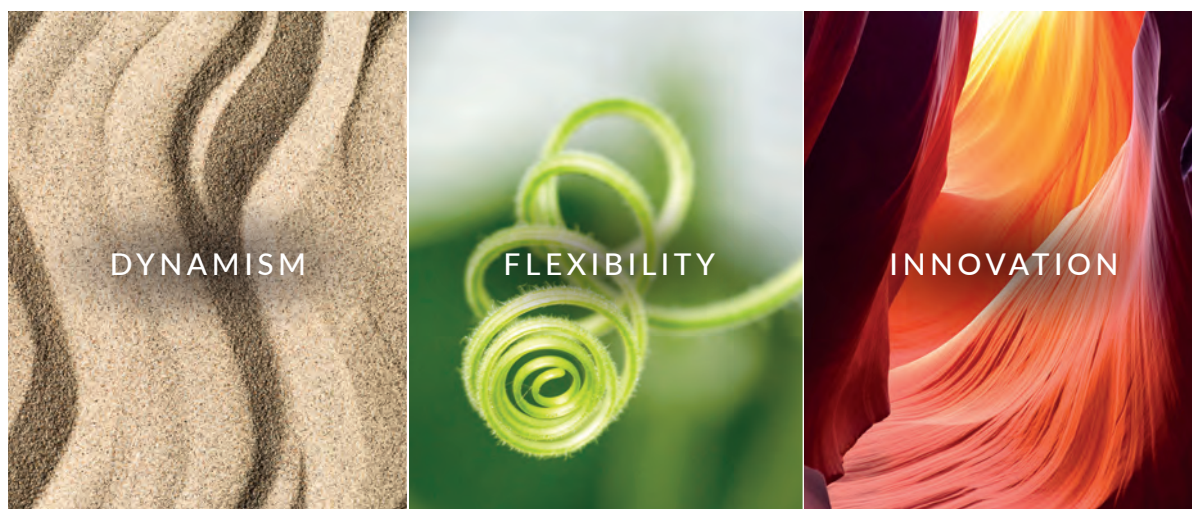
TRANSPARENCY



DEDICATION



WELLNESS



To **avoid discrimination** during hiring, Tierre Group is committed to assessing new hires based on the most objective criteria possible, focusing on **candidates' skills** and **suitability** for the **position**. The company supports its employees throughout all stages of their involvement, from recruitment to daily management within the organization.

The **entry of new hires** is managed through structured **Onboarding Plans**, where the new employee's team leader takes the time to plan and organize necessary shadowing, training, and on-the-job learning to ensure that the individual is integrated into a well-structured context with clearly defined role boundaries. This approach allows both parties to understand the initial steps and mutual expectations in advance, avoiding confusion and leaving nothing to chance. At the end of the onboarding period, the team leader develops a personalized project aimed at the individual's professional growth, sharing a Development Plan based on the belief that focusing on the individual is essential for continuous improvement.

In recent years, investments have also been made in expanding the number and skill set of the **Human Resources team** to support and monitor various managers and all employees throughout this process. This includes not only management but also a dedicated staff member addressing day-to-day personnel management **issues** and a **consultant specializing in Human Resources** for small and medium enterprises. This **consultant supports the team** in strategic **decision-making** and is involved in the operational management of various tools the company is implementing.

The company adheres to the **National Collective Labor Agreement (CCNL)**, which governs labor relations, including trade union relations and contractual models. Specifically, Tierre Group applies the CCNL for commerce to employees at the Corman site and the CCNL for metalworking to those at the Castegnato site.

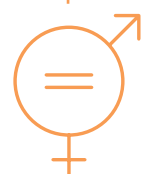
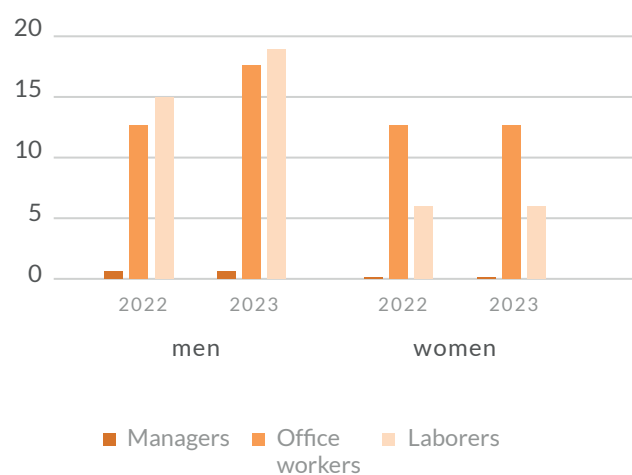
Overall, in **2023**, the number of **employees increased by 8**, reaching a total of **56**.

Women represented **34%** of the **workforce** in **2023**, a decrease from the previous year. This downturn is attributed to the need to hire resources primarily in the production and logistics sectors, where the job market has not provided suitable female candidates for these roles.

Table 15
**Gender diversity
in the organization**

	Men		Women		Total	
	2022	2023	2022	2023	2022	2023
Total employees	29	37	19	19	48	56
Executives	0	0	0	0	0	0
Managers	1	1	0	0	1	1
Office workers	13	17	13	13	26	30
Laborers	15	19	6	6	21	25
Employee percentage	60%	66%	40%	34%	100%	100%
Executives	0%	0%	0%	0%	0%	0%
Managers	2%	2%	0%	0%	2%	2%
Office workers	27%	30%	27%	23%	54%	54%
Laborers	31%	34%	13%	11%	44%	45%

**Gender
diversity**



An analysis of the various **age groups** reveals a **balanced growth** across **all categories**.

The **under 30** age group has experienced a slight increase, **rising from 10 to 12** employees, indicating a continued interest in bringing in young talent.

The group **aged 30-50** has seen a more significant rise, increasing **from 30 to 35** employees, reflecting maturity and stability within the workforce, often associated with well-established skills and professional experience.

Finally, the **over 50** age group has increased from **8 to 9** employees, maintaining an overall balance among the various age groups.

These demographic changes in the workforce **indicate** the company's commitment to balancing freshness and innovation with experience, thereby ensuring a diversified and well-rounded workforce.

Table 16
**Age diversity
in the organization**

	<30		30-50		>50		Total	
	2022	2023	2022	2023	2022	2023	2022	2023
Total employees	10	12	30	35	8	9	48	56
Executives	0	0	0	0	0	0	0	0
Managers	0	0	0	0	1	1	1	1
Office workers	4	5	16	20	6	5	26	30
Laborers	6	7	14	15	1	3	21	25
Employee percentage	21%	21%	63%	63%	17%	16%	100%	100%
Executives	0%	0%	0%	0%	0%	0%	0%	0%
Managers	0%	0%	0%	0%	2%	2%	2%	2%
Office workers	8%	9%	33%	36%	13%	9%	54%	54%
Laborers	13%	13%	29%	27%	2%	5%	44%	45%

Age diversity

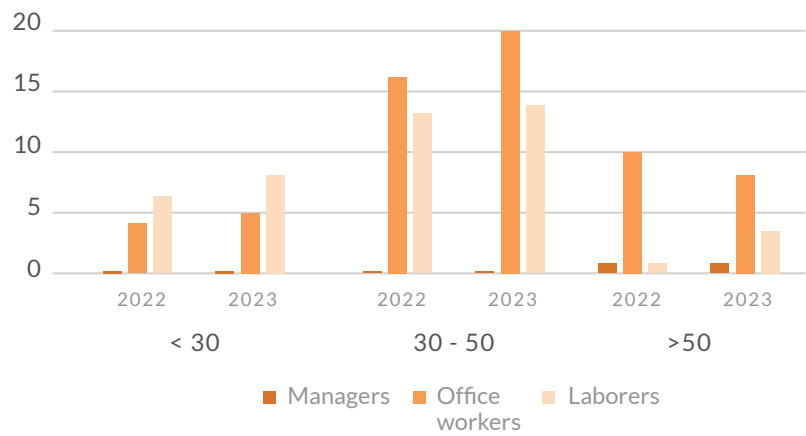


Table 17

Breakdown of part-time and full-time contracts

	Men		Women		Total	
	2022	2023	2022	2023	2022	2023
Total employees	29	37	19	19	48	56
Full-time	29	37	17	16	46	53
Part-time	0	0	2	3	2	3

As of 2023, Tierre Group employs a total of 56 people, up from 48 in 2022. Of these, 53 work full-time, comprising 37 men and 16 women. The part-time workforce includes 3 women, compared to 2 in 2022, highlighting the company’s commitment to offering flexible work arrangements that meet individual employee needs.

Looking at contract types, 53 employees now have open-ended contracts, including 34 men and 19 women, reflecting significant job stability within the company. In 2022, 92% of employees had open-ended contracts; by 2023, this percentage increased to 95%.

Table 18
**Breakdown of fixed terms
and open-ended contracts**

	Men		Women		Total	
	2022	2023	2022	2023	2022	2023
Total employees	29	37	19	19	48	56
Open-ended	26	34	18	19	44	53
Fixed-term	3	3	1	0	4	3

The company remains strongly committed to **recruiting young talent** and promoting open-ended contracts, thereby providing stability and long-term professional growth for its employees. In compliance with applicable regulations, Tierre Group employs individuals from **protected categories**; in 2023, the company employed **3 individuals** from these categories, marking an **increase from the previous year**.

Table 19
**Employees belonging to
protected categories**

	2022	2023
Employees belonging to protected categories	1	3
Percentage of employees belonging to protected categories	2%	5%

To evaluate **pay equity** within the organization, Tierre Group measures the ratio between the highest salary and the median employee salary. This indicator provides a snapshot of internal **pay equality**, allowing the company to assess how generated wealth is distributed.

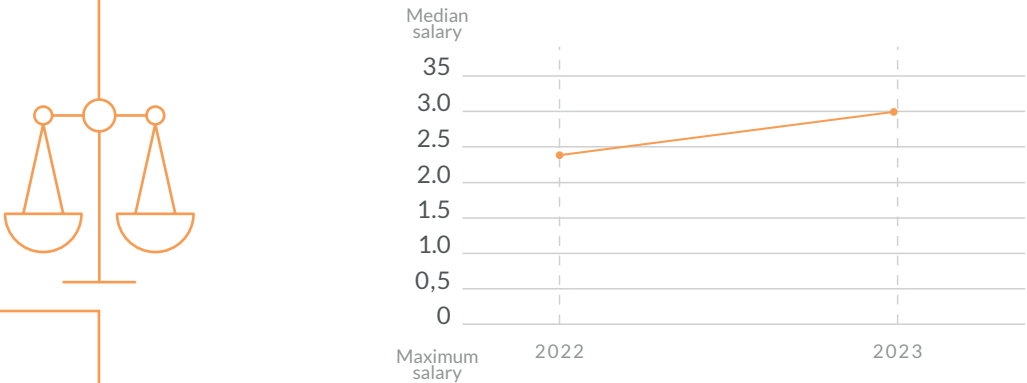
In 2023, this pay ratio was 3. When analyzing the percentage change across different salary levels, it was observed that the salary of the highest-paid individual increased compared to the median salary.

However, it is worth noting that this ratio – calculated by dividing the highest salary by the median salary – has remained stable over the years and is considered highly positive. Conventionally, a ratio below 7 is viewed favorably, reflecting Tierre Group’s commitment to equality and employee satisfaction.

Table 20
Pay ratio within
the organization

	2022	2023	Percentage change
Ratio	2,4	3,0	7,5

Ratio of maximum
to median salary



The **metric** shown in Table 21 is calculated based on the **ratio of base salary and total remuneration among men and women** within each job category. The base salary ratio is calculated by dividing the average base salary of women by that of men within the same job classification. A similar approach is used to determine the total remuneration ratio, which includes the base salary as well as additional forms of remuneration, such as bonuses and benefits.

Values close to 1 indicate substantial pay equity between men and women within the same category. The table shows significant **salary equity**, affirming the company’s commitment to **equal pay across genders**. The slight difference observed between male and female laborer salaries is primarily attributed to differences in tasks performed within the worker classification.

Table 21

Ratio of standard base salaries by gender and job classification compared to remuneration

	Base salary ratio		Remuneration ratio	
	2022	2023	2022	2023
Executives	-	-	-	-
Managers	-	-	-	-
Office workers	0,88	0,94	0,92	0,96
Laborers	0,86	0,90	0,86	0,88

Tables 22 and 23 provide a detailed overview of **employees who left the company** and **new hires** between 2022 and 2023, reflecting the company's commitment to employee well-being and its efforts to **attract new talent**, particularly among younger individuals. This data highlights the company's dedication to creating a **dynamic work environment that prioritizes individual well-being** – an aspect that younger generations are particularly focused on.

Table 22

Employees leaving the company by age group and job classification

	<30		30-50		>50		Total	
	2022	2023	2022	2023	2022	2023	2022	2023
Total employees leaving the company	2	2	6	5	0	1	8	8
Men	1	1	3	3	0	1	4	5
Women	1	1	3	2	0	0	4	3
Employee percentage	20%	17%	20%	14%	0%	11%	17%	14%
Men	10%	8%	10%	9%	0%	11%	8%	9%
Women	10%	8%	10%	6%	0%	0%	8%	5%

In Table 22, which shows the employees who quit, it is noted that in 2022, a total of eight employees left the company, with two leaving in the under-30 age group, six between the ages of 30 and 50, and none among those over 50. The gender distribution in 2022 indicates a slight predominance of men among the employees who left. Similarly, in 2023, a total of eight employees also left the company, with two leaving in the under-30 age group, five between the ages of 30 and 50, and one among those over 50.

Table 23
New employees hired by age group and job classification

	<30		30-50		>50		Total	
	2022	2023	2022	2023	2022	2023	2022	2023
Total employees hired	5	7	6	9	0	0	11	16
Men	4	7	3	6	0	0	7	13
Women	1	0	3	3	0	0	4	3
Employee percentage	50%	58%	20%	25%	0%	0%	23%	28%
Men	40%	58%	10%	17%	0%	0%	15%	23%
Women	10%	0%	10%	8%	0%	0%	8%	5%

Table 23, which focuses on **new hires**, highlights the **company's investment in young talent**. In 2022, the company hired eleven new employees: five under the age of 30, six between the ages of 30 and 50, and none over the age of 50. In 2023, the number of new hires increased to sixteen, with seven in the under-30 age group and nine between the ages of 30 and 50.

These data clearly demonstrate Tierre Group's commitment to **managing and supporting its employees**, as well as its strong focus on attracting and integrating new talent, particularly among younger individuals. This reflects a forward-looking strategy aimed at sustainable growth.

EMPLOYEE TRAINING AND DEVELOPMENT

Tierre Group places great **importance** on the **development** and **training** of its employees, viewing business skills as a key resource for long-term success. The company is committed to **nurturing the potential of each individual** within its workforce, believing that a substantial investment in employee growth leads to significant benefits at all levels of the organization.

From the early stages of onboarding, the learning and development paths for employees are managed and monitored through ad hoc interviews conducted by the Human Resources team, in collaboration with department heads. Additionally, onboarding and development plans are prepared, defining roles, skills, and goals. At least once a year, an assessment is shared to identify any training needs, as well as new projects and goals.

The assessment of the **corporate climate** is currently conducted in an unstructured manner through conversations and daily interactions with workgroups. However, the company has already prepared an **anonymous questionnaire** based on a Values Map that underpins the organization, reflecting values that all employees have discussed over the course of a year. This process began in October 2021 and has developed based on values proposed by management, as well as those emerging from the collective efforts of all employees, aiming to capture a snapshot of life within the company. Through meetings, individual interviews, and group discussions, a **Values Charter** was created in which everyone could find representation, with a wealth of shared meanings. This process has resulted in the consolidation of a strong, people-centric corporate identity. This led to the concept of “**growing through values**”, namely **well-being, dynamism, dedication, transparency, flexibility, and innovation**. The results of the questionnaire will be analyzed in aggregate form to assess the company’s overall positioning over time in relation to these values. This will allow for future monitoring of the corporate climate related to how employees perceive and engage with the company’s values.

Ongoing staff training, which is reinforced daily through individual Development Plans, is another important aspect for Tierre Group. In 2023, the company also intensified its training initiatives. After a period in which many training activities were suspended due to the pandemic, this year many employees had the opportunity to participate in additional training, averaging 27 hours per employee.

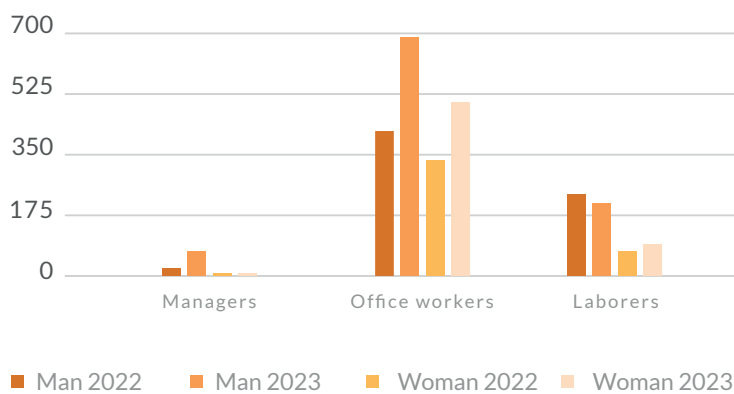
The following table shows the mandatory and optional training hours.

Table 24

Total and average number of training hours per employee per year

	Men		Women		Total	
	2022	2023	2022	2023	2022	2023
Total training hours	680	945	399	576	1.079	1.521
Executives	-	-	-	-	-	-
Managers	40	66	-	-	40	66
Office workers	444	696	340	502	784	1.198
Laborers	196	183	59	74	255	257
Average training hours	23	25	21	30	22	27
Executives	-	-	-	-	-	-
Managers	40	66	-	-	40	66
Office workers	34	41	26	39	30	40
Laborers	13	10	10	12	12	10

Training hours provided



In 2022, both internal and external courses were offered, covering topics such as international trade, customs operations management, procurement techniques, technical training on production machinery, and the use of specialized software, including technical drawing, Business Intelligence, and MES production software. Additional courses included foreign language training, Quality and Environmental Management Systems, and various sessions on workplace safety and emergency management.

Also introduced in 2022 was the “onboarding” training project, which gives all new hires an overview of the company’s unique aspects, history, products, and Quality and Environmental Management Systems, ensuring they have a clear understanding of the company’s structure and key features.

In 2023, training primarily focused on implementing a new company management software, SAP, which required substantial time and resources across the organization. Nevertheless, internal onboarding courses continued, covering Quality and Environmental topics, product certification management, IT tools for treasury and human resources management, technical training on production machinery and 3D printing, and Business Intelligence software. External courses were provided on safety (e.g., ADR for handling hazardous materials), along with general and specific safety training, several refresher courses in first aid, and emergency management training.





HEALTH AND SAFETY

Tierre Group places the utmost importance on the health and safety of its employees. The company is dedicated to providing a **safe and healthy work environment**, recognizing that **protecting employees** is essential to the well-being of those who contribute to its success. To maintain the highest standards in occupational health and safety, the company has implemented a series of measures in full compliance with Italian Legislative Decree No. 81/08.

The company has developed a **Risk Assessment Document (DVR)** and a **health surveillance** plan, supported by the prevention and protection service (OSH) and the company physician. This structure guides the development of instructions, procedures, and protocols, which are continuously monitored and updated. Oversight is further ensured by two internal health and safety representatives (HSR) and well-trained emergency response teams. **Tierre Group** is particularly attentive to the **inspection of all sites, machinery, and equipment**, which undergo regular maintenance, as well as the suitability of work environments, which are designed to be welcoming and to support employees' physical and mental well-being. Each worker is provided with the necessary **personal protective equipment** to perform their duties safely and comfortably. In addition, **sound-absorbing panels** have been installed in offices and meeting rooms to reduce background noise; these panels are also aesthetically integrated into the environment, making them visually attractive. Finally, each employee receives training and is made responsible for workplace safety through both general and specific training, first aid and fire safety courses, forklift operation training, and relevant refresher courses. These programs include awareness of industry-specific hazards and promote best practices to prevent accidents.

Notably, the number of workplace injuries in 2023 was zero, consistent with the previous year.

No cases of occupational illness were reported.

Table 25
Workplace injuries

	2022	2023
Number of hours worked	77.862	91.292
Number of recordable workplace injuries	0	0
Workplace injury rate	0	0



COMMUNITY PROJECTS

Tierre Group has strong **roots** in its **local community** and is responsive to the needs for support and assistance for associations and **charitable projects**.

In both 2022 and 2023, the company **donated** to the **Maria Letizia Verga Association**, an organization that brings together volunteer parents, supporters, researchers, doctors, and healthcare professionals in an alliance aimed at **improving** the overall quality of **life for children and young people affected by** hematologic, oncologic, metabolic, genetic, and other **complex diseases**. Specifically, in 2023 Tierre Group funded the **“Genetic Passport”** project, a clinical research initiative designed to enable doctors to prescribe the most effective treatment for each child with minimal side effects, creating increasingly personalized treatment options.

In 2022 and 2023, Tierre Group also supported **UNITALSI**, the Italian National Union for the **Transportation of the Sick to Lourdes** and International Sanctuaries. This organization provides essential assistance to numerous patients through the work of many volunteers. The company funded the purchase of a vehicle for patient transport and supported various activities by purchasing goods prepared by volunteers.

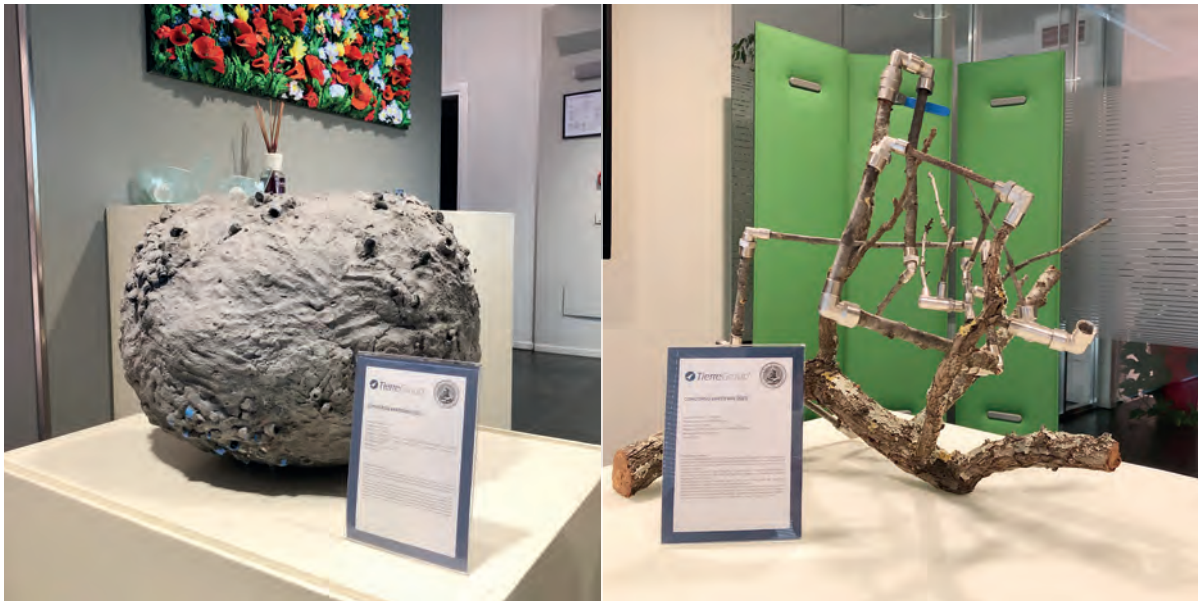
In 2022, Tierre Group sponsored **Bormio Golf**, organizing a golf tournament in support of the **Umberto Veronesi Foundation’s Gold for Kids project, focused on pediatric oncology**. The tournament aimed to fund a year of research by a pediatric cancer specialist at a hospital or research center in the Lombardy region.

Lastly, in 2022, the company contributed to the **Fondazione Italiana per il Dono**, a philanthropic organization created to support projects of social value, by funding a project to build a school in Madagascar.

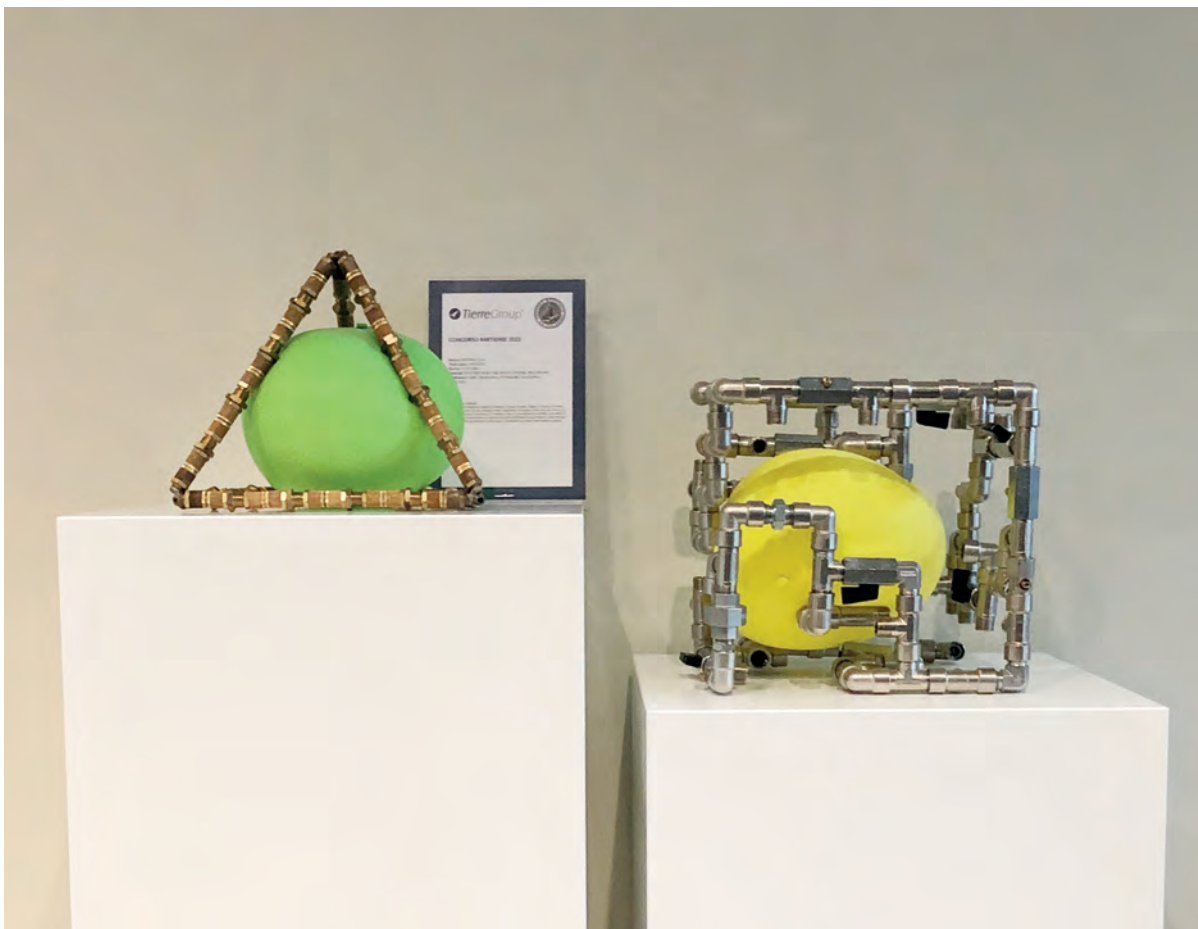
Table 26

Charitable contributions

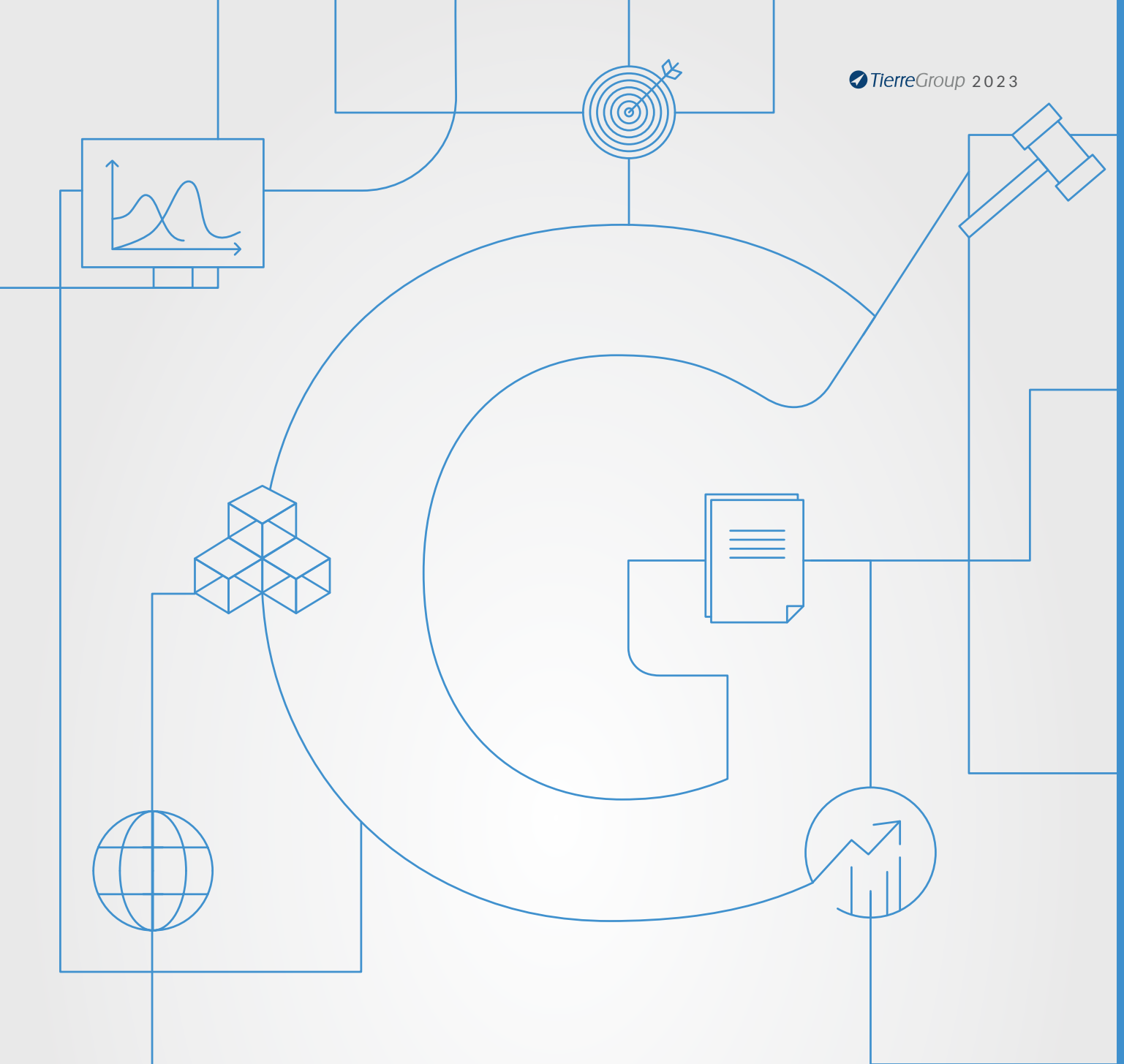
	2022	2023
Unitalsi	30.618,00€	1.812,00 €
Maria Letizia Verga	4.225,00 €	13.909,00 €
Fondazione Italia per il dono	2.500,00 €	-
Bormio Golf	2.000,00 €	-
Total	39.343,00 €	15.721,00 €



As part of its commitment to engaging young people and raising awareness on **sustainability**, Tierre Group launched an **art and sculpture competition** in 2023 to celebrate the creativity of young artists from the **Ligustica Academy of Fine Arts in Genoa**. The competition invited students to create artworks using the company's unused materials, such as leftover fittings and pipes. Named "Artierre", the competition aimed to inspire students on sustainability themes, encouraging them to produce innovative pieces, with cash prizes awarded to the three most creative projects.







GOVERNANCE

Governance

60





GOVERNANCE

Tierre Group has been in business since 1998, establishing itself as a leader in the fittings sector, serving the pneumatic automation, food & beverage, and telecommunications industries.

The company aims to **invest today to create new opportunities tomorrow**, embodying Tierre Group's vision and credibility.

In line with this belief, the company has expanded beyond its traditional expertise in the distribution and supply of high-quality products to become a **reference model** in the **production of fittings**. By designing and **developing high-performance**, innovative solutions across a range of industries, Tierre Group meets specific and complex customer needs every day.

The company is a member of "**Anima Confindustria**", an industrial trade organization, part of the Confindustria system that represents companies in the mechanical sector. Additionally, Tierre Group belongs to "**Federtec**", an association representing the **Italian mechatronic and component industry**. Federtec is a reference point in the field of industrial automation, focused on integrating various applied technologies and representing the entire supply chain.

Tierre Group operates in **Cormano (MI)** at Via dell'Industria 18, which houses the administrative offices and product logistics and warehouse departments. Fitting production is carried out at the facility in **Castegnato (BS)** at Via Marco Biagi 1.

The company does not hold shares in other companies that would qualify as subsidiaries under Article 2359 of the Italian Civil Code.

Tierre Group is 67% owned by **Marco Regis** and 33% by **Laura Angela Regis** and is managed by a **Board of Directors**.

Appointed by the shareholders' meeting on May 23, 2024, for the **2024–2026** term, the **Board** includes **Mr. Marco Regis**, Chairman of the Board and CEO; **Ms. Laura Angela Regis**, who also serves as CEO; and **Mr. Massimo Scarioni**, Director.

The same shareholders' meeting also appointed a **Board of Statutory Auditors** responsible for oversight and statutory auditing activities, chaired by **Mr. Luigi Pirovano**. The Board will serve a three-year term, until the approval of the financial statements as of December 31, 2026.

Within the Board of Directors, a specific delegate for sustainability matters, as outlined in this report, has not yet been appointed.



Table 27
**Age diversity
in governance bodies**

Age range	<30	30-50	>50
Men	0%	0%	67%
Women	0%	0%	33%

In 2023, there were **no confirmed cases of corruption**, legal actions related to anti-competitive behavior, or other non-compliance with laws and regulations. Additionally, the company is not involved in any ongoing legal proceedings.

Below is a **summary** of Tierre Group's annual **financial statements** for the year ending December 31, 2023, highlighting the company's generated direct economic value, amounting to **€32.8 million in revenue**, which reflects a slight downturn from the previous year (-8%).

The table also outlines the remuneration of the main stakeholders – suppliers, employees, and financiers – as well as investments in the community and retained economic value.

Table 28
**Directly generated and
distributed economic value**



	2022	2023
Direct economic value generated	35.624.141	32.817.365
Supplier remuneration	24.210.814	21.799.492
Employee remuneration	2.164.998	2.822.560
Financier remuneration	746.975	-678.921
Public administration remuneration	1.947.531	1.936.923
Community investments	39.343	15.721
Retained economic value	6.514.480	6.921.591

METHODOLOGICAL NOTE

This document is the **first edition** of the **Sustainability Report** of **Tierre Group S.p.A.**, detailing the company's environmental, social, and economic sustainability performance for the 2023 fiscal year (from January 1 to December 31).

To ensure data comparability over time, it also includes a comparison with data from 2022. Beginning this year, the Sustainability Report will be published annually.

This Sustainability Report was prepared with reference to the "GRI Sustainability Reporting Standards" published by the Global Reporting Initiative (GRI), as indicated in the "GRI Content Index" table. This table clarifies the coverage of GRI indicators associated with each sustainability topic reported in this document.

The scope of the economic, social, and environmental data and information includes Tierre Group S.p.A., specifically its facilities in Cormano (MI) at Via dell'Industria 18, and in Castegnato (BS) at Via Marco Biagi 1.

In 2023, there were no significant changes to the corporate structure or the scope of this report.

If any data has been generated through estimates, this is noted in the text.

Any restatements of data from previous years are clearly indicated as such.

This document was reviewed and approved by the Board of Directors and by the project team responsible for preparing the Sustainability Report.

This document has not been subjected to assurance by an external auditing firm.

For further information regarding this document, please contact
marialuisa.disacco@tierregroup.com



GRI CONTENT INDEX

Statement of use: Tierre Group S.p.A. has submitted a report with reference to the GRI Standards for the period between January 1 and December 31, 2023.

Used: GRI 1 – Foundation 2021

The following table includes the GRI indicators used for compiling this document.

Relevant GRI industry standards: N/A

GRI Standard/Other Source	Disclosure	Location	Omission		
			Omitted requirements	Reason	Explanation
GRI 2: General Disclosures 2021	2-1 Organizational details	8-11/61-61	This report is not subject to external assurance		
	2-2 Bodies included in the company's sustainability reporting	62			
	2-3 Reporting period, frequency, and contact	62			
	2-4 Information review	62			
	2-5 External assurance				
	2-6 Activities, value chain, and other business relationships	11-18			
	2-7 Employees	42-54			
	2-9 Governance structure and composition	60-61			
	2-10 Selection of the highest governance body	60			
	2-11 Chair of the highest governance body	60			
	2-13 Delegation of responsibility for managing impacts	60			
	2-21 Annual total salary ratio	48			
	2-23 Policy commitments	21-22			
	2-27 Compliance with laws and regulations	60			
	2-28 Membership in associations	60			
	2-30 Collective agreements	43			
MATERIAL TOPICS					
GRI 3: 2021 Material Topics	3-1 Process to determine material topics	20			
	3-2 List of material topics	20			

BUSINESS ETHICS

GRI 3: 2021 Material Top	3-3 Management of material topics	61			
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	61			
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	61			

WATER AND EFFLUENTS

GRI 3: 2021 Material Topics	3-3 Management of material topics	36-37			
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	36-37			
	303-2 Management of water discharge-related impacts	36-37			
	303-3 Water withdrawal	36			
	303-4 Water discharge	37			
	303-5 Water consumption	36			

WASTE AND SCRAP

GRI 3: 2021 Material Topics	3-3 Management of material topics	34-35			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	34-35			
	306-2 Management of significant waste-related impacts	34			
	306-3 Waste generated	35			

LOCAL AND TRACEABLE SUPPLY CHAIN

GRI 3: 2021 Material Topics	3-3 Management of material topics	40			
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	40			

EMPLOYEE WELL-BEING

GRI 3: Material Topics 2021	3-3 Management of material topics	42-54			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	43/50			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	46-47			
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	54			
	403-2 Identification of hazards, risk assessment, and incident investigations	54			
	403-3 Occupational health services	54			
	403-4 Worker participation and consultation regarding occupational health and safety programs and their communication	51-54			

	403-5 Worker training on occupational health and safety	51-54			
	403-6 Promotion of workers' health	51-54			
	403-7 Prevention and mitigation of health and safety impacts directly linked to business relationships	54			
	403-8 Workers covered by an occupational health and safety management system	43			
	403-9 Work-related injuries	54			

EQUAL OPPORTUNITIES

GRI 3: Material Topics 2021	3-3 Management of material topics	42-52/61			
GRI 405: Diversity and equal opportunities 2016	405-1 Diversity in governance bodies and among employees	42-52/61			
	405-2 Ratio of basic salary and remuneration of women compared to men	49			
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	52			

CLIMATE CHANGE

GRI 3: Material Topics 2021	3-3 Management of material topics	26-33			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	26-33			
	302-3 Energy intensity	28			
GRI 305: Emissions 2016	305-1 Direct greenhouse gas (GHG) emissions (Scope 1)	30			
	305-2 Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2)	31			
	305-4 Greenhouse gas (GHG) emissions intensity	33			

MATERIALS

GRI 3: Material Topics 2021	3-3 Management of material topics	41			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	41			
	301-2 Recycled input materials used	41			

LOCAL COMMUNITIES

GRI 3: Material Topics 2021	3-3 Management of material topics	56-57			
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	56-57			

